THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) and (b) The limit of remitting foreign exchange for studies aborad is US$ 30,000/- per annum without RBI's approval. If the requirement of foreign exchange is in excess of US$ 30,000/- the student can approach regional office of RBI through Authorised Dealer with a letter from overseas university or college indicating quantum of tution fees, maintenance expenses etc. The aforesaid limit is irrespective of the courses/ standards of study which the student undertakes abroad.

(c) and (d) Yes, Sir; foreign exchange can be released even for primary and secondary classes on the basis of the admission letter from the overseas school / college.

New policies introduced by LIC

3706. SHRI TULASIDAS MAJJI:

DR. SHRIKANT RAMCHANDRA JICHKAR:

Will the Minister of FINANCE be pleased to state:

(a) whether some new policies have been introduced by the LIC during the year 1993-94;

(b) if so, what are the details of these policies;

(c) whether these policies have been popular; and

(d) what has been the response of the public?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) and (b) During the year 1993-94 the Life Insurance Corporation of India introduced a close ended plan, known as "Asha Deep', the salient features of which are given in the enclosed statement (*See* below)

(c) and (d) Yes, Sir. It has been reported by the Life Insurance Corporation of India that 6 lakh policies with a total Sum Assured of over Rs. 4,000 crores, were issued by them.

Statement

New policies introduced by the L.I.C.

This plan provides for benefits in case the policyholder is afflicted with one of the four major ailments (namely, Cancer, Paralytic Stroke, Renal failures and Coronary Artery Disease requiring By-Pass surgery), subject to certain exclusions, during the term of the policy. When the claim for affliction by the major ailments is admitted the following benefits are provided:

(a) Immediate payment of 50% of the Sum Assured;

(b) Waiver of all future premiums;

(c) Yearly payment of 10% of the sum assured till the end of the term of the policy or till death of the Life assured, should this occur earlier;

(d) Payment of balance 50% of the sum assured together with vested bonus on full sum assured, on the date of maturity or on earlier death of the life assured.

If the life assured is afflicted by any of the four ailments mentioned above and its onset falls within a period of one year from the date of issue of first premium receipt, then the policyholder will not be eligible for above benefits.

If the policyholder does not get afflicted with any of listed ailments, full sum assured and the vested bonus is payable on maturity of policy or earlier death.

The minimum and maximum age at entry under this plan is 18 and 50 years respectively. Maximum age at maturity is 65 years. Minimum and maximum sum assured is Rs. 50,000/and Rs. 3,00,000/respectively. The policies may be issued for 15, 20 or 25 years terms.

Recommendations made by NIPFP

3707. SHRI SURESH PACHOURI: Will the Minister of FINANCE be pleased to state:

(a) whether the National Institute for Public Finance and Policy (NIPFP) has recommended that if the sales tax reforms are to gain acceptance there has to be an assurancne that large revenue loss to any State will be met at least for an initial period out of grants from the Centres;

(b) if so, what are the other recommendations made by the National Institute of Public Finance and Policy;

(c) whether Government have examined all the recommendations; and

(d) if so, how many have been accepted and what are the steps being taken to implement them?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) No, Sir.

(b) to (d) The National Institute of Public Finance and Policy in its report titled "Reform and domestic trade taxes in India—Issues and options" have suggested modalities for introducing Value Added Tax in the country. The report was discussed in a Conference of State Finance Ministers held on 27.5.94 in Delhi. The Conference resolved to constitute a committee of State Finance Ministers to examine all aspects of tax reforms including introduction of Value Added Tax. In pursuance of the resolution the Government has constituted a Committee of Finance Ministers of eleven States.

Minimum time for payment to policyholders

3708. SHRI AJIT P. K. JOGI:
SHRI RAM GOPAL YADAV:

Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering to make payment to thosoe policy holders within the minimum time whose policies were closed three years ago;

(b) if so, the minimum duration after which the deposited amount will be paid to the policy holders; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) to (c) The Life Insurance Corporation of India (LICI) have reported that no such proposal is under their consideration. The amount of premium paid under the policies which lapse within 3 years does not generate any surplus which can be paid to the policyholders in excess of cost of death cover and expenses incurred to procure the business by the LICI. However, if a policy remains in force for three years, it acquires paid-up value which is payable on expiry of the term of the policy or death, if it occurs earlier. Such policies can also be surrendered for cash value.

Foreign Loan by Industrial Houses

3709. SHRI SARADA MOHANTY: Will the Minister of FINANCE be pleased to state:

(a) the foreign loans taken by the Industrial Houses during 1991-92, 1992-93 and 1993-94; and

(b) the details of loans advanced by India to foreign countries during those years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASEKHAR MURTHY): (a) and (b) Statements A and B are enclosed,

Statement "A"

Foreign Loans Taken by Industrial Houses

(Values are in Rupees Crore)

	Industrial House	1991-92	1992-93	1993-94
1.	Ashok Leyland	—	—	39.95
2.	Bhiwandiwala A.H.	12.21	186.00	175.76
3.	Birla	46.14	582.52	155.16
4.	Chowgule	14.11	—	65.67
5.	Escorts	—	—	0.25
6.	Essar	—	24.72	631.04
7.	GEC	—	—	25.00
8.	ICI	1.49	—	—
9.	ITC	4.62	—	—